

ST. JOHN'S TRUST COMPANY (PVT) LIMITED

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Stuart C. Yudofsky, M.D.
D.C. and Irene Ellwood Professor and Chairman
Department of Psychiatry and Behavioral Sciences

One Baylor Plaza, MS 350
Houston Texas 77030
United States of America

June 5th, 2011

Dear Drs. Klotman and Yudofsky,

Re: A. Eugene Brockman Charitable Trust ("the Trust")

I refer to my meeting with Dr. Yudofsky in Houston on Friday May 13th, 2011 and the detailed material which I received in Bermuda soon after.

It was such a great privilege and pleasure to meet Dr. Yudofsky. Dr. Yudofsky's extraordinary intellect coupled with a rare and genuine compassion has formed the vision he holds for the proposed Psychiatric Institute at the Baylor College of Medicine.

By way of background, I am a director of the Trustee to the Trust, St John's Trust Company (PVT) Ltd. The Trust was established by A. Eugene Brockman in 1981 with the purpose of raising and maintaining a sufficient fund of assets, which could be applied to worthy charitable causes, particularly in the area of medicine, medical research and education. Mr. Brockman passed away in 1986; however his vision was

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shared, and continued, by my predecessor Mr. Gordon Howard (who passed away last year). While I never met Mr. Brockman, I did have the honour of working closely with Mr. Howard for over ten years. I have become inoculated with the same vision. The Trust has actively pursued these philanthropic goals since it was established.

Both Mr. Brockman and Mr. Howard shared a strong desire to support medical research. I feel sadness that Mr. Howard, in particular, did not have the opportunity of meeting Dr. Yudofsky. I believe that, like me, Mr. Howard would also be mesmerized by the scope of Dr. Yudofsky's vision and his staggering intelligence, coming as they do from such a humble and modest man.

I should record that I first heard of Dr. Yudofsky while attending a meeting with Mr. Brockman's son, Robert T. Brockman. The Trust is ultimately the major shareholder of a corporation of which Robert T. Brockman is the Chairman, Reynolds and Reynolds, Inc. That corporation, through Dealer Computer Systems, Inc., had made a pledge to Baylor College of Medicine by way of a letter dated 16th June, 2005.

I have expressed my strong opinion to Robert T. Brockman that the pledge ought to be made by the Trust instead of the corporation.

The reason for this is very straightforward: I do not think that it would be possible for the Trust to find a more deserving recipient of support than Dr. Yudofsky (and, of course, any institution with which he is associated). I am glad to say that Robert Brockman has agreed with my view and acceded to my request that the Trust honour the sum of the original pledge.

I stress that it is the inspirational leadership and vision of Dr. Stuart Yudofsky which is the foundation of the pledge the Trust hereby makes. Dr. Yudofsky's continuing involvement is an absolutely essential pre-condition to this pledge. Dr. Yudofsky is a rare human being. I believe that the Trust should do all it can to honour his achievements and utilize his extraordinary abilities. Particularly, I believe strongly that Dr. Yudofsky's continued leadership as Chairman of the Menninger Department of Psychiatry is essential to achieving his vision. The Trust therefore offers this gift contingent upon his remaining as Chairman.

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It would be greatly appreciated if both Dr. Yudofsky and the Baylor College of Medicine would confirm their commitment to the condition I set out above. Further, the Trust does reserve the right to reconsider the continuation of, and, if required, the discontinuation of the remaining funds, should Dr. Yudofsky be removed from, or relinquish, his position as Chairman.

On behalf of the Trust, I am pleased to make the following pledge, subject to the contingencies set forth above and as follows:

I. Pledge

1. The Trust hereby pledges \$25,000,000 (twenty-five million dollars) to Baylor College of Medicine for the exclusive purposes of and subject to each and every contingency listed below ("the Contingencies").
2. Upon written acceptance of the purpose and Contingencies of this pledge by the President of Baylor College of Medicine and completion of Items 1, 2, and 3 of the Contingencies, the Trust will transfer to Baylor College of Medicine the sum of \$10,000,000 (ten million dollars) to be followed by three (3) annual allocations of \$5,000,000 (five million dollars) on April 15th for the three successive years following the year of the initial donation.

II. Purpose

1. The funds pledged are for the purposes of the following:
 - (a) \$5,000,000 (five million dollars) endowment support for the Beth K. and Stuart C. Yudofsky Presidential Chair in Neuropsychiatry
 - (b) \$3,000,000 (three million dollars) endowment support for the Beth K. and Stuart C. Yudofsky Chair in the Neuropsychiatry of Traumatic Brain Injury (new recruit to BCM, appointed after national search)

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- (c) \$2,000,000 (two million dollars) funding for recruitment expense, administrative support, research assistants, establishing laboratory, infrastructure support, and supplies
- (d) \$3,000,000 (three million dollars) endowment support for the Beth K. and Stuart C. Yudofsky Chair in the Basic Science of Neuropsychiatry (e.g. imaging; genetics; cellular and molecular biology) (new recruit to BCM, appointed after national search)
- (e) \$2,000,000 (two million dollars) funding for recruitment expense, administrative support, research assistants, establishing laboratory, infrastructure support, and supplies
- (f) \$3,000,000 (three million dollars) endowment support for the Beth K. and Stuart C. Yudofsky Chair in Interventional Neuropsychiatry (e.g. deep brain stimulation; transcranial magnetic stimulation; neuropsychopharmacology) (new recruit to BCM, appointed after national search)
- (g) \$2,000,000 (two million dollars) funding for recruitment expense, administrative support, research assistants, establishing laboratory, infrastructure support, and supplies
- (h) \$3,000,000 (three million dollars) endowment support for the Beth K. and Stuart C. Yudofsky Chair in the Neuropsychiatry of Military Post Traumatic Stress Syndrome (new recruit to BCM, appointed after national search)
- i) \$2,000,000 (two million dollars) funding for recruitment expense, administrative support, research assistants, establishing laboratory, infrastructure support, and supplies

Total amount of the pledge is \$25,000,000.

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2. The funds as they are donated and any accumulated endowment earnings generated therefrom are for the exclusive use of the Menninger Department of Psychiatry and Behavioral Sciences of Baylor College of Medicine, for the purposes described above, under the direction of Professor and Chairman, Stuart C. Yudofsky, M.D.

III. Contingencies

1. Designating Stuart C. Yudofsky, M.D. as Principal Investigator for the entirety of this pledge, with exclusive "sign-off" authority for allocation of any and all funds expended.
2. Maintaining this donation in confidence except as specifically authorized in writing by the Trust.
3. The Beth K. and Stuart C. Yudofsky Presidential Chair in Neuropsychiatry initially will be held by Stuart C. Yudofsky, M.D., subject to the approval of the President of Baylor College of Medicine, the Faculty Council of Baylor College of Medicine, and the Board of Trustees of Baylor College of Medicine.
4. Should Stuart C. Yudofsky die, become incapacitated or voluntarily relinquish his obligation as Principal Investigator, which obligation includes directing the use of the donated funds, Paul Klotman, M.D., President of Baylor College of Medicine, or his successor, shall, in consultation with Beth Yudofsky, M.D., assume the role and obligations of Principal Investigator, which obligations include directing the use of the donated funds, temporarily, until such time as a suitable replacement is recommended by Dr. Klotman or his successor, following consultation with Beth Yudofsky, M.D., and approved by the Trust, which approval the Trust is free to withhold at its discretion.

Should the Trust, within its sole discretion, determine at any time and designate in writing that any of the contingencies listed above are not fulfilled, the Trust reserves the right to cancel this pledge and any and all unexpended funds derived from this pledge shall be returned to Trust within 60 days of the date of written notice and the Trust shall not be obligated to make any further contribution whatsoever.

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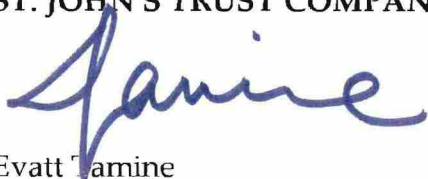
This pledge and all details pertaining thereto are highly confidential. No information of any nature may be released without the prior written approval of the Trustee.

I wish only to add that the Trust has never before had an opportunity to support a vision such as Dr. Yudofsky's, devoted as it is to the missions of patient care, research and education. The settlor of the Trust and Mr. Howard would both have stood proudly in support of this extraordinary mission to provide better, compassionate care of the mentally ill and in advancing behavioral health. In making this pledge, the Trust achieves the purpose for which it was established and the visions of Mr. Brockman and Mr. Howard are fulfilled.

If the foregoing pledge and conditions thereto are acceptable, would you kindly execute one copy of this letter, which will constitute our Pledge Agreement. Would you then return the executed copy to me at the address above.


Yours sincerely,

ST. JOHN'S TRUST COMPANY (PVT) LIMITED



Evatt Tamine
Director

This Pledge and the conditions thereto are acceptable to us and will constitute the Pledge Agreement.



Paul E. Klotman, M.D.



Stuart C. Yudofsky